

Minutes

November 3, 2015

N. C. Board of Agriculture

Casey M. Armstrong

Kirk Mathis

Maurice K. Berry, Jr.

Mark Peters

Doug Boyd

Bert Pitt

Tommy Burleson

Robert Sutter

John William Carter, III

Jeffrey Turner

William Johnston

Steve Troxler, Chairman

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N.C. Board of Agriculture

The November 3, 2015 Board of Agriculture meeting was held in Raleigh, NC at the Martin Building on the N.C. State Fairgrounds. Commissioner of Agriculture, Steve Troxler, called the meeting to order at 2:05 p.m. and read the Ethics Reminder. The following Board members were present: Casey Armstrong, Maurice Berry, Kirk Mathis, Bob Sutter, Billy Carter, Billy Johnston, Doug Boyd and Bert Pitt.

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The first official item on the agenda was approval of the minutes from the July 8<sup>th</sup> and September 15<sup>th</sup> meetings. Billy Johnston made the MOTION to approve the minutes, The motion, seconded by Doug Boyd, carried by unanimous vote.

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Commissioner Troxler introduced Steve Lathrop to the Board regarding the referendum request by the NC Dairy Producers Association. Mr. Lathrop introduced Norman Jordan from the NC Dairy Producers Association in order to answer any questions from the Board. Board member, Casey Armstrong, asked if this was the initial referendum. Mr. Jordan responded that “yes” it was, and it was part of a federal referendum. He stated that ten cents will go towards national programs. He further stated that if passed, the vote on the referendum will occur on January 20, 2016.

With no further questions, Billy Johnston made the MOTION to allow the referendum. The motion, seconded by Billy Carter, carried by unanimous vote.

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Board member, Jeff Turner, joined the meeting by telephone at 2:15 pm.

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Commissioner Troxler next called on Tina Hlabse, General Counsel for the Department and Secretary to the Board, to brief the Board on the Board of Crop Seed Improvement and the amendment to two rules that were before the Board for final adoption. Mrs. Hlabse reminded the Board that these rules had been before the Board in April 2015, and were now back before them for final approval. The rules were 02 NCAC 48C .0113 (Recording flue-cured varieties) and 02 NCAC 48C .0015 (Recording Blends). After some brief discussion and explanation by Commissioner Troxler and Ms. Hlabse, Billy Carter made the MOTION to give final approval to these rules. The motion, seconded by Casey Armstrong, carried by unanimous vote.

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The next item of business was an Intrastate Cervid Program Rule. Commissioner Troxler invited Dr. Doug Meckes, State Veterinarian, to brief the Board about this Rule.

First, Dr. Meckes introduced the Department of Agriculture's new Director of Livestock, Dr. Mike Neault. He explained that Dr. Neault would be leading the transition of the captive cervid deer program as it transition over to the Department of Agriculture and Consumer Services from the Wildlife Resources Commission.

Dr. Meckes then reminded the Board about the amendment to rule 02 NCAC 52C .0701, which would bring the rule in compliance with USDA standards. The amended rule now requires that all cervidae, susceptible to CWD, that die in North Carolina Captive Cervid facilities at 12 months of age, or older, to be tested for CWD. The previous rule required such testing at 6 months. This rule was before the Board for final adoption. It had previously approved going through rulemaking at the April 2015 Board meeting.

Board member, Bob Sutter, asked if amending this rule was supported by opponents. Dr. Meckes responded that there may be those who disagree, but the science supports such a change.

With no further questions, Bob Sutter made the MOTION approving final adoption of the rule change. The motion, seconded by Billy Johnston, carried by unanimous vote.

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The next item of business was to provide the Board with an overview of the 2015 State Fair. Commissioner Troxler began by introducing James Roemer, the new Assistant State Fair Manager. Commissioner Troxler provided some background on Mr. Roemer's career and experience in the fair industry. Commissioner Troxler also notified the Board that the Chief of the Department's Public Safety office, Joel Keith, was retiring.

Mr. Roemer then proceeded to share with the Board the highlights of the 2015 State Fair. He stated that the attendance was the second highest in State Fair history and exceeded one million people. He stressed that he is not aware of any other State Fair that has a midway and carnival that is locally owned. Mr. Roemer highlighted the Dorton Arena homegrown talent series and praised the success of "Michaels Day," both of which were new initiatives at the State Fair this year. He further shared that the new Tobacco Pavilion was very well utilized. He also discussed that the fair staff is working on ways to better manage foot-traffic on the grounds during the Fair given the increasing popularity of the flower show. Mr. Roemer highlighted that the flower show at the N.C. State Fair is one of the greatest in the country. He finished his remarks by stating that the flea markets were ready to open up again, as well as the horse shows.

Commissioner Troxler also shared with the Board that our State Fair was ranked in the top ten according to certain publications.

David Smith, Chief Deputy Commissioner for the Department, then took some time to explain the medical condition of Wesley Wyatt, State Fair Manager, and the status of his cancer diagnosis. Mr. Smith asked that everyone keep Mr. Wyatt in their prayers.

Next the Commissioner called on Ron Moore to give an overview of the 2015 Mountain State Fair.

Mr. Moore stated that the Mountain State Fair “went fantastically well.” He thanked the staff of the Western NC Agricultural Center and the Veterinary Division for all of their hard work in making the fair such a success. Mr. Moore noted that the Mountain State Fair had its second highest attendance since its inception. He also stated that there has been an increase in revenue since 2014.

Mr. Moore further explained that the projected revenue will be close to \$ 2 million after expenses. This projected revenue will be used to help fund infrastructure needs. Mr. Moore concluded his overview of the 2015 Mountain State Fair by thanking and complimenting the local officials in the areas surrounding the fair for all of their help with traffic and security.

Mr. Moore then proceeded to provide an update on the Western North Carolina Farmer’s Market Master Plan. He discussed gross ticket sales, economic impact and the needs that the market faces in order to stay viable. Mr. Moore noted that there are buildings on the property that need a complete overhaul given that some structures are over 40 years old. He stressed the importance of capital improvements and how critical they are to western North Carolina agriculture. He spoke about the need for training on FSMA regulations for market staff and better ways to maximize NC grown products.

Mr. Moore further explained the process of developing the Master Plan, which included receiving public comments and receiving advice from consultants and surveyors. In order to make all of the renovations and repairs recommended in the Master Plan would cost approximately \$37 million. Securing funding at this level is the biggest obstacle at this time. However, the Department has already applied for two grants to assist in this area.

Casey Armstrong asked for a status update on the repairs to the arena roof at the WNC Agricultural Center.

Mr. Moore answered by saying that the design process was still underway and that drawings are still being considered. Mr. Moore explained that the repairs would be done in three phases in order to keep the arena open during peak times.

Ms. Armstrong spoke about the importance of the arena for horse shows and to the horse community. Commissioner Troxler acknowledged Ms. Armstrong’s sentiments and assured her that the Department was doing everything in its power to move this process forward. The Commissioner further praised this year’s Mountain State Fair and some of the new exhibitions that he then brought to the State Fair.

An update on Avian Influenza (AI) was the next item on the agenda. Commissioner Troxler called on Dr. Meckes, Sharron Stewart and Dr. Sarah Mason for updates.

Dr. Meckes educated the Board on all of the precautions that the Department has put in place during the past six months. He explained that in his role as State Veterinarian he has traveled the entire state speaking about AI and necessary biosecurity measures. He further stated that as of the third day of November there have been no new AI cases to report. Dr. Meckes emphasized that the main lesson he and his staff had learned from other states that had experienced outbreaks was: 1.) you can never be over prepared and 2.) depopulation within 24 hours is absolutely critical.

Dr. Mason next addressed the Board. She spoke of the testing and surveillance that is ongoing, including the testing of 20,000 wild birds with only one positive test. Dr. Mason was happy to report that there had been no commercial positives nation-wide since June. She concluded by stating that the southern migration this season was delayed due to the unusually warm weather.

Lastly, Sharron Stewart discussed the efforts of the Department's Emergency Programs staff. She talked about working with other agencies across the State and the importance of communication. She further described her efforts at working with her counterparts in the states that were dealing with outbreaks of AI. Ms. Stewart told the Board that 200 employees of the Department had volunteered to help with AI if North Carolina were to have an outbreak, and she discussed the training operations that had occurred for these volunteers. Ms. Stewart concluded with a brief summary of inventory on hand in case of an outbreak.

Board member, Bob Sutter, commented on the importance of protective gear and the dangers of foam exposure.

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David Smith proceeded to give the Board a legislative update. He relayed that this year's budget was one of the more successful budgets the Department had ever experienced, noting that recurring funds increased by \$1.9 million and increased by \$2 million for the subsequent year. Mr. Smith highlighted the captive cervid deer transfer to the Department. He also discussed the recommendations that the Department was getting ready to make at the legislative committee on agricultural resources.

Commissioner Troxler noted that this is a perfect opportunity to explain to the General Assembly what the Department does.

David Smith also discussed the TVA settlement funds, changes to the spay/neuter program and the authority we received with regard to fees at State forests.

Commissioner Troxler added that attendance at DuPont State Forest is close to 500,000 a year now.

Bob Sutter asked about the sale of timber and where those funds go.

Mr. Smith responded that the funds go into forestry's general operating budget.

Mr. Smith continued with legislative highlights, including increases for the implementation of FSMA, funds for the Duplin County Event Center, and increased funding in the military and tobacco trust funds

Mr. Smith also discussed the upcoming NC Connect Bond and the money that would be allocated to the Department for a new consolidated laboratory.

Bob Sutter asked where the lab would be located.

Commissioner Troxler indicated that current plans would put the consolidated lab on property currently under the Department, the corner of Reedy Creek and Edwards Mill Road.

Mr. Smith discussed a few more items: the need to replace the roof at Dorton Arena and upgrading forestry buildings in all 100 counties.

The issue of proscribed burning notifications came up in discussion. Mr. Smith and Commissioner Troxler stated that there are changes to the rules

Commissioner Troxler then briefly touched on the Hemp Bill, which became law on October 30, 2015. He explained the process and how it interfaces with federal legislation.

Billy Carter asked if the Board would be responsible for adopting hemp rules.

Commissioner Troxler stated yes.

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Commissioner Troxler then called Dr. Colleen Hudak-Wise forward to notify the Board peak season dates for agronomic testing.

Dr. Hudak-Wise stated that recent wet weather has delayed soil samples and that since July 1, 2015 the lab has analyzed 61,000 samples. She suggested that if the Board allowed her to delay the start to December 1st, the latest start date authorized by statute, it would be most beneficial to farmers.

She went on to discuss current turn-around time at the lab, which is approximately two weeks.

Bob Sutter asked if the money we were collecting during peak season was helping to speed up the turnaround time.

Dr. Hudak-Wise said yes. The purpose with charging the fee is to encourage folks to submit samples earlier so there is not such a rush and to enable Agronomics to hire additional personnel with those receipts.

Bob Sutter indicated that people are complaining about the turnaround time.

Dr. Hudak-Wise responded that Agronomics is trying to resolve that issue. Agronomics has purchased state-of-the-art dryers. She further acknowledged that this year's delay is not the fault of the farmers.

There were no further questions and there was no need to vote on the recommendation. For the record, there were no Board members who disagreed with the recommendation.

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Tina Hlabse introduced Chris McLennan, Assistant Attorney General, who would be working with the Department and assisting with litigation.

Commissioner Troxler asked if there was any other business to discuss.

Casey Armstrong stated that this year's horse show at the State Fair was very successful. She thanked the Commissioner for attending.

Commissioner Troxler asked again if there was any other business to discuss.

Having concluded the business set forth on the agenda, a MOTION was made by Bob Sutter to adjourn. The motion, seconded by Billy Carter, passed unanimously. The meeting adjourned at 3:43 p.m.

Recorded and Prepared by:

Derek Wagner

Adopted by the Board this 10<sup>th</sup> day  
of February, 2016.



Steven W. Troxler

Commissioner of Agriculture

Chairman



Tina Hlabse

Secretary